

117<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 7420

To amend the Congressional Budget Act of 1974 to set responsible budget targets.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 6, 2022

Mr. EMMER introduced the following bill; which was referred to the Committee on Rules, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Congressional Budget Act of 1974 to set responsible budget targets.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Responsible Budget  
5       Targets Act of 2022”.

6       **SEC. 2. ESTABLISHING RESPONSIBLE BUDGET TARGETS.**

7       (a) IN GENERAL.—Title IV of the Congressional  
8       Budget Act of 1974 (2 U.S.C. 651 et seq.) is amended  
9       by adding at the end the following:

1 **“PART C—ESTABLISHING RESPONSIBLE BUDGET**2 **TARGETS**3 **“SEC. 441. DEFINITIONS.**

4 “In this part:

5 “(1) PRIMARY BALANCE FACTOR.—

6 “(A) IN GENERAL.—The term ‘primary  
7 balance factor’—8 “(i) with respect to the first fiscal  
9 year that begins not less than 180 days  
10 after the date of enactment of this part,  
11 means 0.0 percentage point; and12 “(ii) except as provided in subpara-  
13 graphs (B) and (C), with respect to each  
14 fiscal year after the fiscal year described in  
15 clause (i), means the sum obtained by add-  
16 ing—17 “(I) the primary balance factor  
18 for the previous fiscal year; and19 “(II)(aa) if primary budget au-  
20 thority exceeded revenue for the fiscal  
21 year before the previous fiscal year,  
22 0.2 percentage point; and23 “(bb) if revenue exceeded pri-  
24 mary budget authority for the fiscal  
25 year before the previous fiscal year,  
26 – 0.2 percentage point.

1           “(B) SPECIAL RULE FOR FIRST YEAR  
2           AFTER PRIMARY BALANCE.—

3           “(i) IN GENERAL.—For the first fiscal  
4           year that begins after the date of a deter-  
5           mination that, for a fiscal year beginning  
6           after the date of enactment of this part,  
7           revenue exceeded primary budget author-  
8           ity, the term ‘primary balance factor’  
9           means 0.0 percentage point.

10           “(ii) SUBSEQUENT ADJUSTMENT.—  
11           After the first fiscal year described in  
12           clause (i), the primary balance factor shall  
13           be adjusted in accordance with subpara-  
14           graph (A)(ii).

15           “(C) LIMIT OF ZERO.—The primary bal-  
16           ance factor for a fiscal year may not be less  
17           than 0.0 percentage point.

18           “(2) PRIMARY BUDGET AUTHORITY.—The term  
19           ‘primary budget authority’ means all budget author-  
20           ity except for net interest on the debt.

21           “(3) SPENDING CEILING.—The term ‘spending  
22           ceiling’, with respect to a fiscal year, means the  
23           maximum amount of primary budget authority for  
24           the fiscal year, as determined under section 442.

1           “(4) SPENDING GROWTH FACTOR.—The term  
2           ‘spending growth factor’, with respect to a fiscal  
3           year, means the difference obtained by subtracting—

4                   “(A) the primary balance factor for the fis-  
5                   cal year; from

6                   “(B) the average annual percentage  
7                   growth in the gross domestic product of the  
8                   United States during the 5-fiscal-year period  
9                   before the beginning of the fiscal year before  
10                  such fiscal year.

11 **“SEC. 442. ESTABLISHMENT OF A SPENDING CEILING.**

12           “(a) IN GENERAL.—The maximum amount of pri-  
13           mary budget authority for a fiscal year shall be the  
14           amount of primary budget authority for the previous fiscal  
15           year as—

16                   “(1) increased by the spending growth factor;  
17           and

18                   “(2) modified by any adjustments under section  
19           444 or 445.

20           “(b) EXCLUSION OF ADJUSTMENTS FROM BASE-  
21           LINE.—In determining the maximum amount of primary  
22           budget authority for a fiscal year, the amount of primary  
23           budget authority for the previous fiscal year shall not in-  
24           clude any adjustment under paragraph (1) or (3) of sec-  
25           tion 444 or under section 445(c).

1 “(c) DETERMINATION.—

2 “(1) FOR CONGRESSIONAL PURPOSES.—The  
3 Director of the Congressional Budget Office shall—

4 “(A) include in each report under section  
5 202(e)(1) and revision of such a report an esti-  
6 mate of the amount of the spending ceiling (in-  
7 cluding factors necessary to produce the esti-  
8 mate) and any adjustments under section 444  
9 for the fiscal year commencing on October 1 of  
10 the year during which the Director submits the  
11 report; and

12 “(B) provide to the Committee on the  
13 Budget of the Senate and the Committee on the  
14 Budget of the House of Representatives up-  
15 dates to the estimate of the spending ceiling  
16 and adjustments, as appropriate.

17 “(2) FOR EXECUTIVE BRANCH PURPOSES.—  
18 The President shall—

19 “(A) include in each budget of the Presi-  
20 dent submitted under section 1105 of title 31,  
21 United States Code, an estimate by the Office  
22 of Management and Budget of the amount of  
23 the spending ceiling and any adjustments under  
24 section 444 for the fiscal year commencing on

1           October 1 of the year during which the Presi-  
2           dent submits the budget; and

3                   “(B) obtain from the Office of Manage-  
4           ment and Budget updates to the estimate of the  
5           spending ceiling and adjustments, as appro-  
6           priate.

7   **“SEC. 443. USE OF CEILING.**

8           “(a) BY CONGRESS.—When considering legislation,  
9           the Senate and the House of Representatives shall adhere  
10          to the spending ceiling, as determined by the Director of  
11          the Congressional Budget Office under section 442(c)(1)  
12          (including any adjustments under section 444 or 445(c)).

13          “(b) BY EXECUTIVE BRANCH.—When considering  
14          proposals with fiscal implications, the President shall ad-  
15          here to the spending ceiling, as determined by the Director  
16          of the Office of Management and Budget under section  
17          442(c)(2) (including any adjustments under sections 444  
18          or 445(c)).

19   **“SEC. 444. ADJUSTING THE SPENDING CEILING.**

20          “When adopting a concurrent resolution on the budg-  
21          et (including a concurrent resolution on the budget de-  
22          scribed in section 304), Congress may adjust the spending  
23          ceiling as determined under section 442(c)(1), and when  
24          enacting a supplemental appropriations Act, Congress

1 may adjust the spending ceiling as determined under sec-  
2 tion 442(c)(2), commensurate with—

3 “(1) appropriations for an emergency, as de-  
4 fined in section 250(c) of the Balanced Budget and  
5 Emergency Deficit Control Act of 1985 (2 U.S.C.  
6 900(c));

7 “(2) a revision in the estimate of the gross do-  
8 mestic product of the United States for any year to  
9 which section 441(4)(B) applies;

10 “(3) cyclical variations due to the difference be-  
11 tween the actual and potential amount of the gross  
12 domestic product of the United States;

13 “(4) timing shifts of expenditures or revenues  
14 due; or

15 “(5) enacted laws that result in a change in  
16 revenue.

17 **“SEC. 445. EMERGENCY ACCOUNT ADJUSTMENTS.**

18 “(a) ESTABLISHMENT OF EMERGENCY ACCOUNT.—  
19 The Director of the Congressional Budget Office and the  
20 Director of the Office of Management and Budget shall  
21 each maintain an emergency account.

22 “(b) COMPUTATION.—

23 “(1) IN GENERAL.—The amount of the emer-  
24 gency account shall be—

1           “(A) increased by the amount of the ad-  
2           justment made under section 444(1); and

3           “(B) decreased by the difference obtained  
4           by subtracting the amount of primary budget  
5           authority provided for a fiscal year from the ad-  
6           justed spending ceiling (excluding any adjust-  
7           ment under section 444(1), and including the  
8           effect of adjustments under section 445(c)) for  
9           that fiscal year.

10          “(2) LIMIT OF ZERO.—The amount of the  
11          emergency account may not be less than \$0.

12          “(c) ADJUSTMENT.—

13                 “(1) IN GENERAL.—If the amount of the emer-  
14                 gency account on the last day of a fiscal year has  
15                 increased, as compared to the last day of the fiscal  
16                 year before such fiscal year, the amount of the  
17                 spending ceiling for the second fiscal year after such  
18                 fiscal year and each of the ensuing 5 fiscal years  
19                 shall be reduced by the amount equal to one-sixth of  
20                 the amount of the increase in the emergency ac-  
21                 count.

22          “(2) MODIFICATION OF ADJUSTMENT.—

23                 “(A) FOR CONGRESSIONAL PURPOSES.—

24                 When adopting a concurrent resolution on the  
25                 budget (including a concurrent resolution on



1 the budget described in section 304), Congress  
2 may, for purposes of applying the spending ceil-  
3 ing in the Senate and the House of Representa-  
4 tives—

5 “(i) reduce the amount of the spend-  
6 ing ceiling by the amount of the emergency  
7 account over a period shorter than 6 fiscal  
8 years; or

9 “(ii) in the case of an ongoing emer-  
10 gency, reduce the amount of the spending  
11 ceiling by the amount of the emergency ac-  
12 count over a period longer than 6 fiscal  
13 years.

14 “(B) FOR EXECUTIVE BRANCH PUR-  
15 POSES.—When enacting a supplemental appro-  
16 priations Act, Congress may, for purposes of  
17 applying the spending ceiling in the executive  
18 branch—

19 “(i) reduce the amount of the spend-  
20 ing ceiling by the amount of the emergency  
21 account over a period shorter than 6 fiscal  
22 years; or

23 “(ii) in the case of an ongoing emer-  
24 gency, reduce the amount of the spending  
25 ceiling by the amount of the emergency ac-

1 count over a period longer than 6 fiscal  
2 years.”.

3 (b) CONFORMING AMENDMENT.—The table of con-  
4 tents in section 1(b) of the Congressional Budget and Im-  
5 poundment Control Act of 1974 is amended by inserting  
6 after the item relating to section 428 the following:

“PART C—ESTABLISHING RESPONSIBLE BUDGET TARGETS

“Sec. 441. Definitions.

“Sec. 442. Establishment of a spending ceiling.

“Sec. 443. Use of ceiling.

“Sec. 444. Adjusting the spending ceiling.

“Sec. 445. Emergency account adjustments.”.

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